T Mobile

601 Pennsylvania Ave., NW Suite 800 Washington, DC 20004

December 20, 2011

The Honorable Al Franken
Chairman, Subcommittee on Privacy,
Technology and the Law
Committee of the Judiciary
United States Senate
309 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Franken:

Thank you for your letter of December 6, 2011. We appreciate the opportunity to respond to the questions you have raised about the information T-Mobile USA, Inc. ("T-Mobile") receives as a result of the use of diagnostic software developed by Carrier IQ, Inc. on devices used on our network, as well as how T-Mobile protects that information.

The growth of wireless technology and the use of smartphones have revolutionized the way our customers communicate with others and access the internet on the go, in their increasingly mobile lifestyles, through T-Mobile's nationwide wireless network. At T-Mobile, we are committed to maintaining the security and privacy of personal information concerning our customers and their use of our network and services. As described in T-Mobile's Terms and Conditions of Service, our customers can expect that T-Mobile will only collect and use such information according to the terms of T-Mobile's privacy policy, which is available online at www.T-Mobile.com/privacy, and attached to this letter response as Exhibit A.

Our customers also expect that the devices and wireless service they purchase through T-Mobile will operate in seamless fashion. Nothing jeopardizes our customers' satisfaction more than having trouble with their wireless service or device (e.g., dropped calls, applications that freeze or crash, or smartphones that appear not to be keeping a battery charge). To improve network and device performance, T-Mobile uses information generated by our customers' use of our wireless network to diagnose issues with our network or handsets. As smartphones have become increasingly sophisticated and capable of doing more and more for our customers, device and network issues have become more complicated. The diagnostic software from Carrier IQ assists T-Mobile in improving our customers' wireless experience by capturing and analyzing a narrow set of data related to some of the most common issues our customers'

experience: device/battery performance; application failures; and signal strength. Through Carrier IQ, T-Mobile collects this type of technical data solely to understand what is happening on the device and the network so that we can more effectively and directly troubleshoot issues with dropped calls, failed applications, signal strength and roaming, or battery and device performance that might negatively impact our customers' experience and satisfaction. As you noted, there is a "legitimate need for diagnostics software" to help carriers maintain the quality of customers' experience on our networks and services.

We understand that recent media speculation may have created some misconceptions about the Carrier IQ software and how T-Mobile uses that software. As our responses to your questions below indicate how T-Mobile utilizes the Carrier IQ software, I want to emphasize how T-Mobile does <u>not</u> use the Carrier IQ software:

- T-Mobile does not use Carrier IQ software to view the content of our customers' text, email, photos, video, or voice messages.
- T-Mobile does not use the Carrier IQ software to log keystrokes or view the content of users' Internet activity or on-line searches.
- T-Mobile does not use data from Carrier IQ for marketing purposes, and we do not sell or provide third parties access to this information.

We also require Carrier IQ to comply with T-Mobile's privacy and security policies with respect to all customer data and information.

Furthermore, T-Mobile has implemented this software using what Carrier IQ calls the "pre-load" method, which does not require integration of the software by the device manufacturer, and only allows access to Operating System API data that is available to application developers. T-Mobile does not use the "embedded" method for implementing Carrier IQ's software, which requires integration by the manufacturer and permits access to broader data.

We are grateful for the opportunity to provide this information to you, and our specific responses follow. We hope that the results of your inquiry will help to clarify any misconceptions about T-Mobile's use of Carrier IQ's diagnostic software to gather data from our network and devices to diagnose technical issues and improve performance, customer experience, and customer satisfaction.

Responses to Specific Requests

(1) On what devices does your company use or install Carrier IQ software?

T-Mobile currently uses Carrier IQ's diagnostic software on the following devices:

HTC Amaze 4G

- Samsung Galaxy S II
- Samsung Exhibit II 4G
- T-Mobile MyTouch by LG
- T-Mobile MyTouch Q by LG
- LG DoublePlay
- BlackBerry 9900
- BlackBerry 9360
- BlackBerry 9810

(2) As of what date has your company used or installed this software on these devices?

T-Mobile began installing the software on devices in May 2011. Devices were commercially available beginning August 31, 2011.

(3) To the best of your knowledge, how many American consumers use these devices?

As of this date, approximately 450,000 T-Mobile customers use devices that contain Carrier IQ's diagnostic software. T-Mobile does not know how many consumers use devices that contain Carrier IQ's software on other U.S. carriers' networks.

(4) Does your company receive customer location data collected by Carrier IQ software or by Carrier IQ?

T-Mobile uses Carrier IQ software solely to obtain data about the nearest cell phone tower when a customer experiences certain types of performance-related issues when using his or her device. T-Mobile does not use Carrier IQ software to collect GPS or precise customer location data.

(5) What other data does your company receive that has been collected by Carrier IQ software or by Carrier IQ?

a. The telephone number users dial?

Yes.

b. The telephone numbers of individuals calling a user?

Yes.

c. The contents of the text messages users receive?

No.

(8)

	đ.	The contents of the text messages users send?	
		No.	
	e.	The contents of the emails they receive?	
		No.	
	f.	The contents of the emails users send?	
		No.	
	g.	URLs of the websites that users visit?	
		No.	
	h.	The contents of users' online search queries?	
		No.	
	i.	The names or contact information from users' address books?	
		No.	
	j.	Any other keystroke data?	
		No.	
(6)	If your company receives this data, does it subsequently share it with third parties? With whom does it share this data? What data is shared?		
third	T-Mo parties.	bile does not share any data collected by Carrier IQ's diagnostic software with any	
(7)	Has y	Has your company disclosed this data to federal or state law enforcement?	
	No.		
(8)	How	How long does your company store this data?	

The data collected for T-Mobile by Carrier IQ's diagnostic software is stored on dedicated servers by Carrier IQ and its subcontractors (and, as described more fully below, is

subject to stringent security and privacy protections). This data is available solely to T-Mobile's Customer Care representatives through an interface application provided by Carrier IQ for a period of up to 30 days after collection for purposes of troubleshooting device and service issues in response to customer service calls. This data is also available to our Products Realization Team for a period of up to 45 days after collection solely for the purpose of working directly with our manufacturers to troubleshoot device and service issues.

(9) How does your company protect this data against hackers and other security threats?

T-Mobile is committed to maintaining the security and privacy of personal information concerning our customers and their use of our network and services. As a result, when T-Mobile entered into a contractual relationship with Carrier IQ, T-Mobile required that Carrier IQ and its subcontractors implement and comply with stringent security safeguards and security audits to prevent unauthorized collection, storage, disclosure, use, or access to confidential T-Mobile customer information. In addition, T-Mobile requires Carrier IQ to comply with all applicable industry standards for protecting private and confidential information, and all applicable laws governing the security and handling of such information.

(10) Does your company believe that its actions comply with the Electronic Communications Privacy Act, including the pen register statute (18 U.S.C. § 3121 et seq.), the federal wiretap statute (18 U.S.C. § 2511 et seq.), and the Stored Communications Act (18 U.S.C. § 2701 et seq.).

Yes.

(11) Does your company believe that its actions comply with the Computer Fraud and Abuse Act (18 USC § 1030)?

Yes.

(12) Does your company believe that its actions comply with your privacy policy?

Yes. As is further explained in our answer to Question 13 below, T-Mobile's collection and use of personal information from our customers complies with the terms of T-Mobile's Privacy Policy. (*See* Exhibit A attached to this response, available online at www.T-Mobile.com/privacy.)

(13) Does it believe that consumers are aware that this activity is actually occurring on their devices?

T-Mobile believes its customers expect us to take pro-active steps, including the use of reasonable diagnostic tools, to ensure network reliability and enhance our customers' device

experience. We disclose to customers in Mobile's Terms and Conditions of Service that our "Privacy Policy governs how we collect and use information related to your use of our Service and is available online at www.T-Mobile.com/privacy." Our Privacy Policy discloses that T-Mobile collects information whenever our customers use our services or interact with us, including "details about the type and location of wireless device(s) you use, calls and text messages you send and receive, and other data services you use (for example your ringtone purchases)." (See Exhibit A, "Collection of Personal Information.") The Privacy Policy further explains that our network "also automatically captures necessary routing information when you use our services to access the Internet at a T-Mobile Hotspot or from your wireless device." (See Exhibit A, "Collection of Personal Information.") Our Privacy Policy also discloses that T-Mobile uses such information for a variety of business purposes, including to "respond to your requests for service or assistance," to "anticipate and resolve actual and potential problems with our products and services," and to "provide personalized service and user experiences." (See Exhibit A, "Use of Personal Information".)

* * *

T-Mobile takes the concerns expressed in your letter very seriously and I hope that this letter has addressed them. If you have any further questions or need additional information, we would welcome the opportunity to respond further.

Respectfully submitted,

Thomas J. Sugrue Senior Vice President

Regulatory and Legal Affairs